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Those Other ITT Documents

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Confidential ITT documents—so explosive that they were removed from other subpoenaed papers and locked in a safe—contradict the sworn testimony of former Attorney General John Mitchell before the Senate Judiciary Committee a year ago.

The committee asked the Justice Department to review the transcripts of the ITT hearings for possible perjury. Despite some apparent misstatements under oath, no action has been taken. But now that the suppressed documents have surfaced, the Justice Department may be compelled to investigate its former boss.

The documents were included in a huge collection that International Telephone & Telegraph delivered under subpoena to the Securities and Exchange Commission. House investigators claim SEC Chairman William Casey's aides locked up the most damning documents in a safe. When Sen. Edward Kennedy (D-Mass.) and Rep. Harley Staggers (D-W. Va.) sought the subpoenaed papers, Casey hastily packed them off to the Justice Department in 34 cartons. Casey subsequently was appointed undersecretary of state.

We have now obtained an official digest of the documents sent to Justice. The digest, stamped "Confidential," includes summaries of the memos kept under lock. These show that ITT's dynamic chief executive, Harold Geneen, made a whirlwind visit to Washington in early August 1970 to deal with the company's antitrust troubles.

On Aug. 4, he sat down with Mitchell who testified at the ITT hearing: "My office calendar shows that this meeting could not have lasted more than 35 minutes . . . The meeting was held at Mr. Geneen's request to discuss the overall antitrust policy of the department with respect to conglomerates. I assented to the meeting on the express condition that the pending ITT litigation would not be discussed. Mr. Geneen agreed to this condition. The pending ITT litigation was not discussed at this meeting."

ITT's confidential account of the meeting, however, gives quite a different impression. The digest, summarizing a memo of the meeting, states: "It also indicates there was a friendly session between Geneen and Mitchell . . . It indicates that Mitchell told Geneen that Nixon was not opposed to the merger. He believed that mergers were good. Mitchell apparently said that ITT had not been sued because bigness is bad. Mitchell emphasized that 'bigness is bad' is not the case in relation to ITT. . . ."

Presumably, ITT would have no reason to deceive itself by preparing a phony report of the Geneen-Mitchell meeting for its own confidential use. But if the memo is accurate, the two men did, indeed, discuss the litigation contrary to Mitchell's own statement.

The memo's mention of Nixon is also significant. For, under oath, Mitchell declared: "The President has never talked to me about any antitrust case that was in the department." Yet the memo reports: "Mitchell told Geneen that Nixon was not opposed to the merger." The celebrated Dita Beard memo also claims that the President spoke to Mitchell about the ITT case and asked him "to see that things are worked out fairly."

Another of the suppressed memos, referring to the same Geneen-Mitchell meeting, speaks of a "discussion . . . regarding accounting principals board." This was crucial to ITT's argument against antitrust prosecution. Simply stated, ITT contended that new accounting principals would deter further acquisitions and, therefore, that the antitrust suit was unnecessary to stop ITT's expansion.

Yet at the ITT hearing, Mitchell repeatedly claimed to have no knowledge of the ITT antitrust case. We read to Mitchell the summaries of the ITT memos, and he repeated the denials he had made under oath.

Of his meeting with Geneen, Mitchell said: "We didn't discuss the mergers at all." He acknowledged that they had talked about the accounting principals board but insisted that the discussion had been confined to the broad issue without any reference to ITT's litigation. The report that he told Geneen what the President had said, Mitchell told us, was "as far from anything as I can conceive."

Geneen's visit to Washington in August 1970, according to the memos, was to bring pressure on Richard McLaren, then the antitrust chief, to stop prosecution. The memos indicate that Geneen and his top Washington hand, William Merriam, met with White House aides John Erlichman and Charles Colson on Aug. 7.

One memo indicates "that Ehrlichman said frequently that Nixon was not enforcing a bigness is bad policy. Ehrlichman supported what Mitchell had told Geneen."

Another memo, written to Merriam by his deputy, John Ryan, raised the names of Maurice Stans, then Secretary of Commerce, and Richard Kleindienst, now attorney general. A summary of the memo, which was dated Aug. 24, 1970, states it "relates to a meeting on Aug. 19, 1970, with Maurice Stans. There is an indication that Kleindienst must 'follow through' and that this 'may be the break' that ITT is looking for. There is a rhetorical question asked, 'How will McLaren react, or how good a Republican is McLaren?' "

Stans' office said he couldn't be reached until the end of April. Kleindienst has acknowledged he is a friend of Ryan but has denied doing anything more than arranging appointments for ITT at Ryan's request.

It looks as if the ITT case isn't yet closed.

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